

**Town of Essex
29 West Avenue
Essex, CT – Meeting Room A**

**Board of Finance
July 16, 2015**

MINUTES

In attendance: Keith Crehan, Chairman, Campbell Hudson, Vice Chairman, Mary-Louise Polo and Fred Vollono. Absent: Don Mesite, Jeffrey Woods

Others in attendance: Norman Needleman, First Selectman
Kelly Sterner, Finance Director
Yvonne Roziak, Recording Secretary

Meeting was called to order at 7:09 p.m. by Keith Crehan.

APPROVAL OF AGENDA:

Motion made by Fred Vollono to approve agenda, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Motion made by Campbell Hudson to approve the minutes of June 18, 2015, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

FINANCIAL REPORT:

Revenues:

Fiscal year 2014-2015 revenues did not disappoint in the categories of property tax revenue and local revenues. Property tax collections totaled \$21,725,547 which is in excess of budget by \$97,208. Most of that surplus showed up through interest and lien fees. On the local revenues side, conveyance tax, town clerk fees, transfer station fees and building permits finished the fiscal year with healthy surpluses compared to budget. These helped to push the total local revenues to 123.8% of budget. These positive results were partially offset by a \$32K shortfall in state and federal revenue sources. The combined results show overall revenue of \$23,191,480 which represents a surplus of \$190,084 for the fiscal year. While we still may see some minor accrual adjustments, the final result should be close to this figure.

Expenditures:

Expenditures for the fiscal YTD as of the end of June totaled \$22,415,324 or 96.5% of budget. We will still continue to receive invoices related to fiscal year 2014-2015 throughout July and into August. Additionally accruals for payroll and accounts payable are pending. The attached preliminary expenditure report includes a column for the forecasted fiscal year totals for each budget line. Despite the significant overages in legal services and highway department, the forecast for the selectmen’s budget is a very modest surplus of approximately\$10K.

The elementary school projected surplus has been reduced to \$100K as they have decided to use a portion to cover capital items that were removed from the fiscal year 2015-2016 budget request.

So what happens when you put it all together? Our original 2014-2015 budget was approved with a budgeted deficit of \$55,567. To that deficit a supplemental appropriation of \$161,615 for the purchase of the street sweeper was added bringing the total budgeted deficit to \$217,182. With almost \$200K of revenue in excess of budget and forecasted surpluses on the expenditure side, the current forecast would point to ending the fiscal year with an overall surplus of \$80K to \$100K.

Motion made by Fred Vollono to accept the Financial Report, seconded by Mary-Louise Polo. Passed unanimously. Motion carried.

SELECTMEN’S REPORT

Fire Department Sinking Fund Request

Norman Needleman, First Selectman and the Board of Selectmen approved and recommend to Board of Finance a sinking fund request not to exceed \$75,000.00 for the SCBA air bottles needed by the Fire Department. This is a scheduled 10 year replacement required by NFPA.

Motion made by Campbell Hudson to approve and recommend to Town Meeting an appropriation from the Fire truck/equipment fund balance in an amount not to exceed \$75,000.00 for the purchase of new SCBA air cylinders by the Essex Fire Department, seconded by Fred Vollono. Motion Passed.

Norman reported that the Board of Selectmen also reviewed the funding sources for the elementary school fuel conversion, and the remaining windows in Town Hall. Each project could be funded through prior appropriations or through the approved bond funding. The Board of Selectmen approved funding through the bond and close out of the appropriations.

Norman discussed the additional capital projects currently underway including the EES roof, the downtown Ivoryton improvement project which is scheduled for the last paving to take place on Monday, 7/20. The two bridge repairs for Ivory Street are waiting on the engineer’s report and expected to have the plans this week. The Town Hall Renovation project as well as the expansion for the Town Garage are also on the schedule for fall.

OLD BUSINESS - none

NEW BUSINESS - none

COMMUNICATION AND CORRESPONDENCE - none

PUBLIC COMMENT - none

ADJOURNMENT:

Motion made by Mary-Louise to adjourn at 7:50 p.m., seconded by Fred Vollono . Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne M. Roziak